ESHB 2507 - S AMD 403 By Senator McAuliffe

- 1 Strike everything after the enacting clause and insert the 2 following:
- 3 "NEW SECTION. Sec. 1. A new section is added to chapter 28B.85 4 RCW to read as follows:
- 5 (1) It is unlawful for a person to:
- 6 (a) Grant or award a false academic credential or offer to grant or award a false academic credential in violation of this section;
- 8 (b) Represent that a credit earned or granted by the person, in 9 violation of this section, can be applied toward a credential offered 10 by another person; or
- 11 (c) Solicit another person to seek a credential or to earn a credit 12 that is offered in violation of this section.
- 13 (2) The definitions in section 2 of this act apply to this section.
- 14 (3) A violation of this section constitutes an unfair or deceptive 15 act or practice in the conduct of trade or commerce under chapter 19.86 16 RCW.
- 17 (4) In addition to any other venue authorized by law, venue for the 18 prosecution of an offense under this section is in the county in which 19 an element of the offense occurs.
- NEW SECTION. Sec. 2. A new section is added to chapter 9A.60 RCW to read as follows:
- 22 (1) A person is guilty of issuing a false academic credential if 23 the person knowingly:
- 24 (a) Grants or awards a false academic credential or offers to grant 25 or award a false academic credential in violation of this section;
- 26 (b) Represents that a credit earned or granted by the person in 27 violation of this section can be applied toward a credential offered by 28 another person;
- 29 (c) Grants or offers to grant a credit for which a representation 30 as described in (b) of this subsection is made; or

- 1 (d) Solicits another person to seek a credential or to earn a 2 credit the person knows is offered in violation of this section.
 - (2) A person is guilty of knowingly using a false academic credential if the person knowingly uses a false academic credential or falsely claims to have a credential issued by an institution of higher education that is accredited by an accrediting association recognized as such by rule of the higher education coordinating board:
- 8 (a) In a written or oral advertisement or other promotion of a 9 business; or
 - (b) With the intent to:

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- (i) Obtain employment;
- 12 (ii) Obtain a license or certificate to practice a trade, 13 profession, or occupation;
 - (iii) Obtain a promotion, compensation or other benefit, or an increase in compensation or other benefit, in employment or in the practice of a trade, profession, or occupation;
 - (iv) Obtain admission to an educational program in this state; or
 - (v) Gain a position in government with authority over another person, regardless of whether the person receives compensation for the position.
 - (3) The definitions in this subsection apply throughout this section and section 1 of this act.
- (a) "False academic credential" means a document that provides 23 evidence or demonstrates completion of an academic or professional 24 25 course of instruction beyond the secondary level that results in the 26 attainment of an academic certificate, degree, or rank, and that is not issued by a person or entity that: (i) Is an entity accredited by an 27 agency recognized as such by rule of the higher education coordinating 28 29 board or has the international equivalents of such accreditation; or (ii) is an entity authorized as a degree-granting institution by the 30 31 higher education coordinating board; or (iii) is an entity exempt from the requirements of authorization as a degree-granting institution by 32 the higher education coordinating board; or (iv) is an entity that has 33 been granted a waiver by the higher education coordinating board from 34 35 the requirements of authorization by the board. Such documents 36 include, but are not limited to, academic certificates, degrees, coursework, degree credits, transcripts, or certification of completion 37 of a degree. 38
 - (b) "Grant" means award, bestow, confer, convey, sell, or give.

- 1 (c) "Offer," in addition to its usual meanings, means advertise, 2 publicize, or solicit.
 - (d) "Operate" includes but is not limited to the following:
 - (i) Offering courses in person, by correspondence, or by electronic media at or to any Washington location for degree credit;
 - (ii) Granting or offering to grant degrees in Washington;
- 7 (iii) Maintaining or advertising a Washington location, mailing address, computer server, or telephone number, for any purpose, other 8 than for contact with the institution's former students for any 9 legitimate purpose related to the students having attended the 10 11 institution.
- (4) Issuing a false academic credential is a class C felony. 12
- (5) Knowingly using a false academic credential is a gross 13 14 misdemeanor.
- 15 **Sec. 3.** RCW 28B.85.020 and 2005 c 274 s 246 are each amended to read as follows: 16
- 17 (1) The board:

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- (a) Shall adopt by rule, in accordance with chapter 34.05 RCW, minimum standards for degree-granting institutions concerning granting of degrees, quality of education, unfair business practices, financial stability, and other necessary measures to protect citizens of this state against substandard, fraudulent, or deceptive practices. rules ((may)) shall require that an institution operating in Washington:
- (i) Be accredited ((or be making progress toward accreditation by an accrediting agency recognized by the United States department of education. The board shall adopt the rules in accordance with chapter 34.05 RCW));
- (ii) Have applied for accreditation and such application is pending 29 30 before the accrediting agency;
- (iii) Have been granted a waiver by the board waiving the 31 requirement of accreditation; or 32
- (iv) Have been granted an exemption by the board from the 33 requirements of this subsection (1)(a); 34
- 35 (b) May investigate any entity the board reasonably believes to be subject to the jurisdiction of this chapter. In connection with the 36 investigation, the board may administer oaths and affirmations, issue 37 subpoenas and compel attendance, take evidence, and require the

- 1 production of any books, papers, correspondence, memorandums, or other
- 2 records which the board deems relevant or material to the
- 3 investigation. The board, including its staff and any other authorized
- 4 persons, may conduct site inspections, the cost of which shall be borne
- 5 by the institution, and examine records of all institutions subject to
- 6 this chapter;
- 7 (c) Shall develop an interagency agreement with the work force 8 training and education coordinating board to regulate degree-granting 9 private vocational schools with respect to degree and nondegree 10 programs; and
- (d) Shall develop and disseminate information to the public about entities that sell or award degrees without requiring appropriate academic achievement at the postsecondary level, including but not limited to, a description of the substandard and potentially fraudulent
- 15 practices of these entities, and advice about how the public can
- 16 recognize and avoid the entities. To the extent feasible, the
- 17 information shall include links to additional resources that may assist
- 18 the public in identifying specific institutions offering substandard or
- 19 fraudulent degree programs.
- 20 (2) Financial disclosures provided to the board by degree-granting 21 private vocational schools are not subject to public disclosure under
- 22 chapter 42.56 RCW.

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- 23 **Sec. 4.** RCW 28B.85.040 and 2004 c 96 s 2 are each amended to read 24 as follows:
 - (1) An institution or person shall not advertise, offer, sell, or award a degree or any other type of educational credential unless the student has enrolled in and successfully completed a prescribed program of study, as outlined in the institution's publications. This prohibition shall not apply to honorary credentials clearly designated as such on the front side of the diploma or certificate and awarded by institutions offering other educational credentials in compliance with state law.
- 33 (2) No exemption <u>or waiver</u> granted under this chapter is permanent.
 34 The board shall periodically review exempted degree-granting
 35 institutions <u>and degree-granting institutions granted a waiver</u>, and
 36 continue exemptions <u>or waivers</u> only if an institution meets the
 37 statutory <u>or board</u> requirements for exemption <u>or waiver</u> in effect on
 38 the date of the review.

- 1 (3) Except as provided in subsection (1) of this section, this 2 chapter shall not apply to:
 - (a) Any public college, university, community college, technical college, or institute operating as part of the public higher educational system of this state;
 - (b) Institutions that have been accredited by an accrediting association recognized by the agency for the purposes of this chapter: PROVIDED, That those institutions meet minimum exemption standards adopted by the agency; and PROVIDED FURTHER, That an institution, branch, extension, or facility operating within the state of Washington which is affiliated with an institution operating in another state must be a separately accredited member institution of any such accrediting association to qualify for this exemption;
 - (c) Institutions of a religious character, but only as to those education programs devoted exclusively to religious or theological objectives if the programs are represented in an accurate manner in institutional catalogs and other official publications;
 - (d) Honorary credentials clearly designated as such on the front side of the diploma or certificate awarded by institutions offering other educational credentials in compliance with state law; or
- (e) Institutions not otherwise exempt which offer only workshops or seminars and institutions offering only credit-bearing workshops or seminars lasting no longer than three calendar days.
- NEW SECTION. Sec. 5. A new section is added to chapter 28A.405 RCW to read as follows:
- A person who issues or uses a false academic credential is subject to sections 1 and 2 of this act.
- NEW SECTION. Sec. 6. A new section is added to chapter 28B.50 RCW to read as follows:
- A person who issues or uses a false academic credential is subject to sections 1 and 2 of this act.
- NEW SECTION. Sec. 7. A new section is added to chapter 41.06 RCW to read as follows:
- A person who issues or uses a false academic credential is subject to sections 1 and 2 of this act."

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Renumber the sections consecutively and correct any internal references accordingly.

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On page 1, line 2 of the title, after "education;" strike the remainder of the title and insert "amending RCW 28B.85.020 and 28B.85.040; adding a new section to chapter 28B.85 RCW; adding a new section to chapter 9A.60 RCW; adding a new section to chapter 28A.405 RCW; adding a new section to chapter 28B.50 RCW; adding a new section to chapter 41.06 RCW; and prescribing penalties."

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EFFECT: Knowingly issuing a false academic credential is a gross misdemeanor. The previous amendment passed by the Senate designated this as a class C felony.